Alberta Economy

Indicators at a Glance

Economic Activity

The Alberta Activity Index fell 1.0% in July but continues to improve over last year's levels, up 6.3% y/y. In 2016, Alberta's real GDP by industry fell by 3.8%, the largest drop among the provinces for the second year in a row.

Population

Alberta's population was 4,286,134 as of July 1, 2017, an increase of 1.2% from the year prior. Canada's population grew 1.2% from a year ago.

Migration

Net migration to Alberta was 5,486 in the second quarter of 2017. During this time, Alberta welcomed 10,400 net international migrants. However, there was a net outflow of interprovincial migrants (-4,914), the eighth consecutive quarterly decline.

NEW: Employment[1]

Alberta lost 7,800 jobs in September as part-time job losses (-9,900) were partially offset by an increase in full-time positions (+2,300). Employment increased 0.6% year-over-year (y/y).

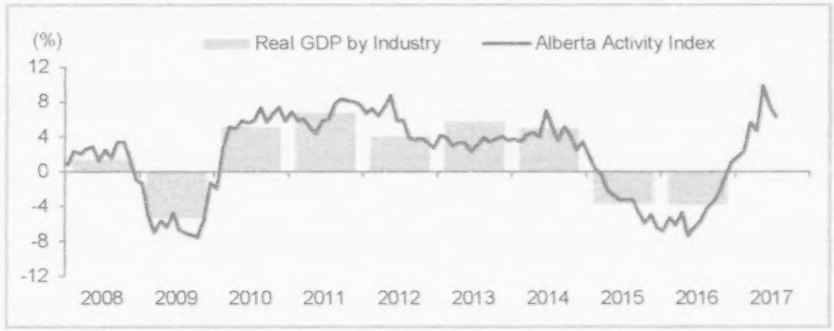
NEW: Unemployment Rate[1]

Alberta's unemployment rate fell 0.2 percentage points to 7.9% in September. Canada's unemployment rate held steady at 6.2%.

Rigs Drilling

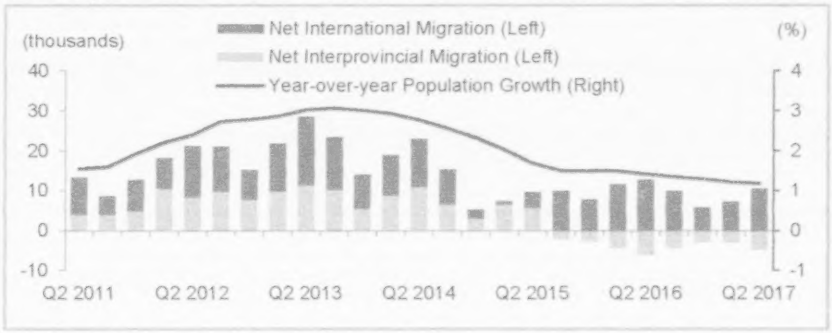
The number of active rigs in Alberta averaged 127 in September, up 60% y/y. Year-to-date, the number of active rigs has average 127, nearly double the amount in 2016.

Economic Activity
Year-over-year % change



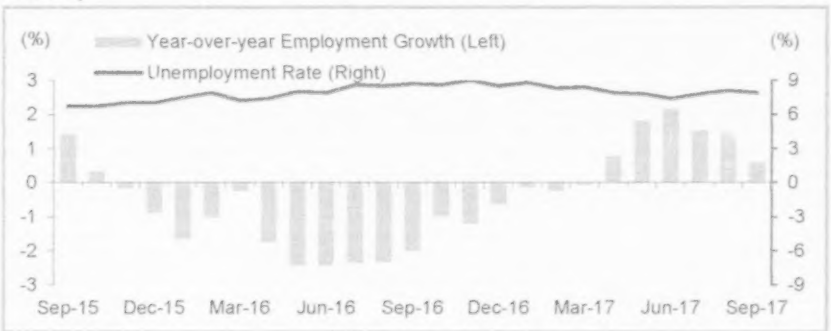
Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics
Quarterly



Source: Statistics Canada

Labour Market
Monthly



Source: Statistics Canada

Inflation

The Alberta Consumer Price Index (CPI) rose 1.1% y/y in August, up from 1.0% in July, as energy prices increased. The Canadian inflation rate also ticked up in August to 1.4%.

Average Weekly Earnings[1]

Average weekly earnings (AWE) in Alberta fell by 0.9% in July to $1,125. Earnings are virtually unchanged from a year ago as higher earnings in the service sector (+2.4% y/y) are offset by lower earnings in the goods sector (-5.1% y/y).

Retail Sales[1]

Alberta retail sales decreased by 0.6% m/m to $6.8 billion in July. Retail sales grew 9.5% y/y, the eigth consecutive month of year-over-year gains.

Housing Starts[1]

Alberta housing starts fell 22% m/m in August to 26,154 units (annualized). Housing starts increased 33% y/y, with both single-family and multi-family starts up 51% y/y and 22% y/y, respectively.

New Housing Price Index

Alberta's New Housing Price Index (NHPI) increased 0.5% in July and was unchanged from a year ago. The house-only component was down 0.3% y/y, while land prices was up 0.4% y/y.

Building Permits[1]

Alberta building permits were down 6.5% m/m in July to $1.0 billion. Building permits were down 9.0% y/y. Non-residential permits dropped 30% y/y and residential permits increased 9.3% y/y.

[1] Seasonally adjusted

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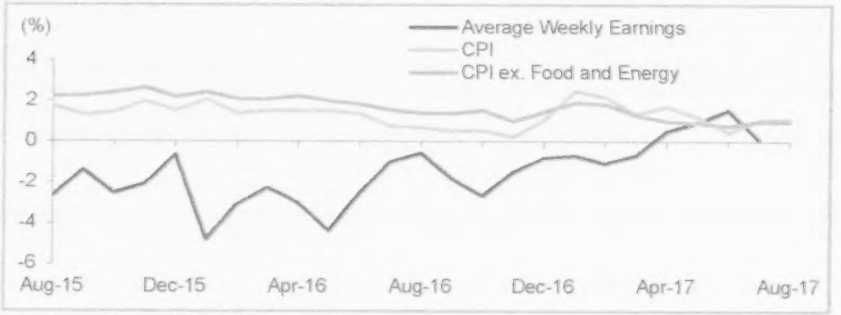
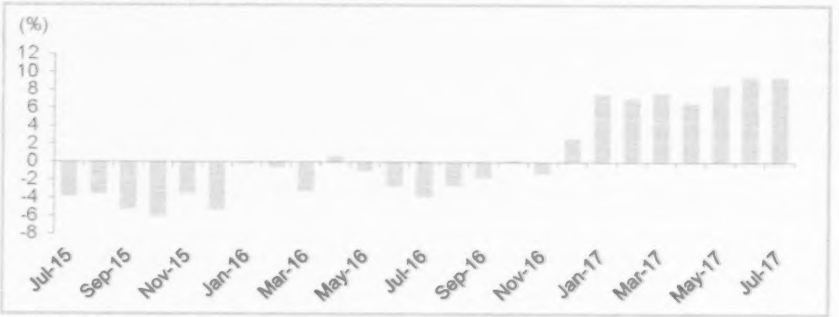
Inflation and Earnings
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales
Monthly, year-over-year % change



Source: Statistics Canada

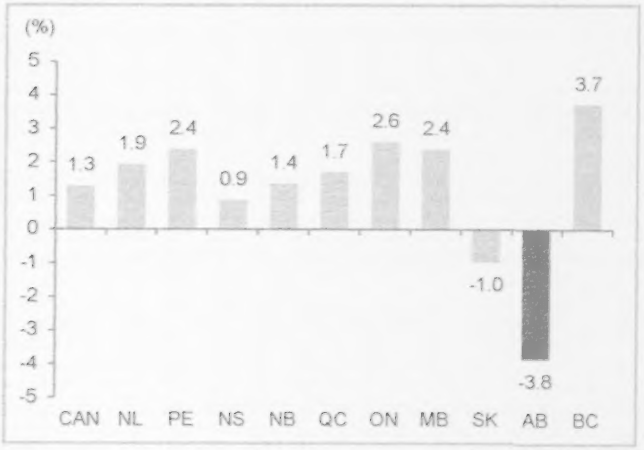
Housing Market
Monthly

Source: Statistics Canada, Canada Mortgage and Housing Corporation

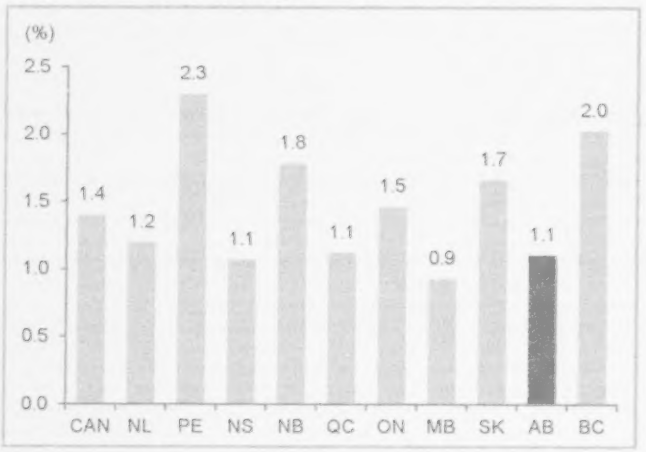
	Canadian Dollar (USc/$CAN)	WTI Oil ($US/bbl)	NYMEX Natural Gas ($US/MMBtu)	Alberta Reference Price ($C/GJ)
Latest (October 5, 2017)	79.69	50.79	2.92	1.83 (AM)
Fiscal year-to-date	77.15	48.24	3.04	2.26

Please see the *Weekly Economic Review* for current analysis on the Alberta economy.

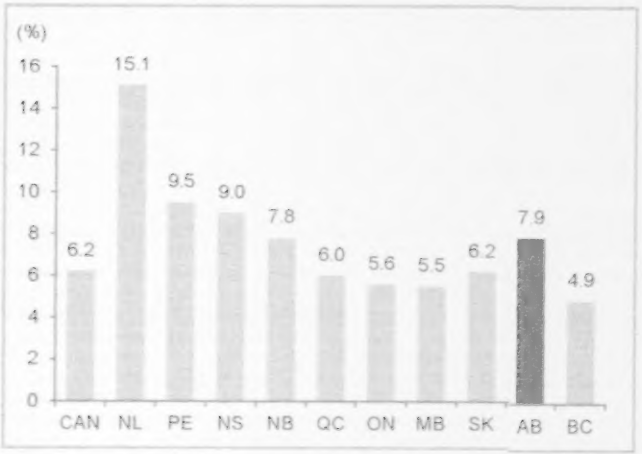
Real GDP by Industry
(2016, year-over-year growth)



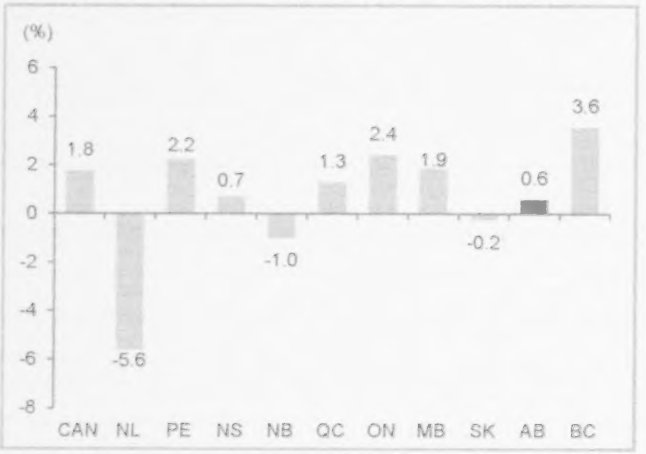
CPI Inflation
(July 2017, year-over-year growth)



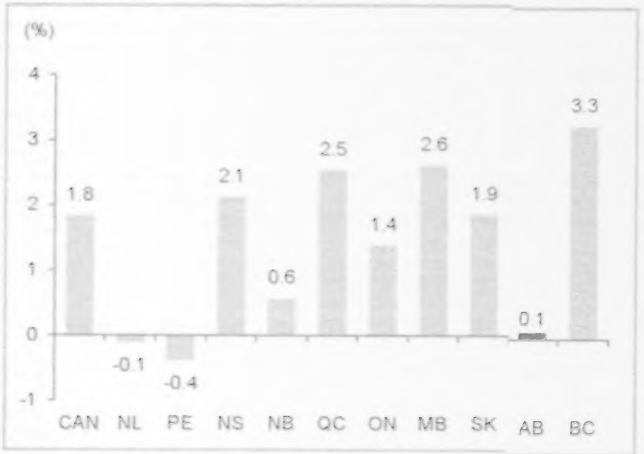
Unemployment Rate
(September 2017)



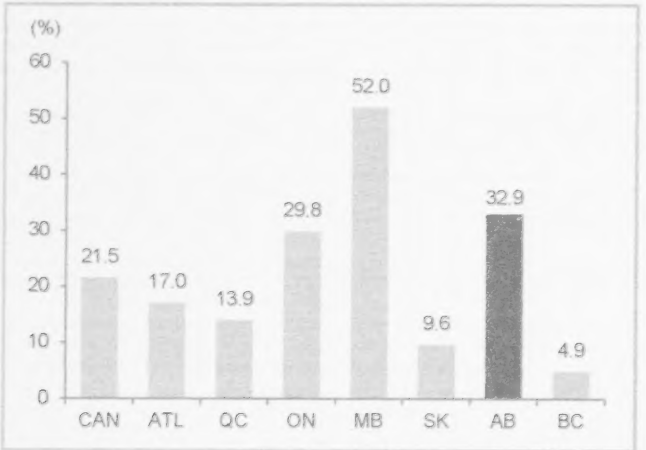
Employment
(September 2017, year-over-year growth)



Average Weekly Earnings
(July 2017, year-over-year growth)



Housing Starts
(August 2017, SAAR, year-over-year growth)



Alberta Economic Indicators

	2015	2016	2017YTD	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17
Alberta Activity Index (y/y % change)	-3.0	-4.4	5.4	4.6	9.8	7.6	6.3		
Population[1]									
Population (thousands)	4,178	4,236	4,286	4,272			4,286		
y/y % change	1.7	1.4	1.2	1.2			1.2		
Net Interprovincial Migration	21,594	-15,108	-15,131	2,942			4,914		
Net International Migration	15,694	42,102	33,210	7,200			10,400		
Labour Market									
NEW Employment (thousands, SA)	2,301	2,264	2,284	2,289	2,281	2,299	2,284	2,287	2,279
m/m change (thousands)				0.3	-2.1	7.5	14.4	2.3	-7.8
y/y % change	1.2	-1.6	0.9	0.8	1.8	2.2	1.5	1.5	0.6
NEW Unemployment Rate (%, SA)	6.0	8.1	8.0	7.9	7.8	7.4	7.8	8.1	7.9
NEW Participation Rate (%, SA)	73.0	72.5	72.5	72.7	72.5	72.4	72.2	72.5	72.0
Average Weekly Earnings ($, SA)	1,146	1,119	1,119	1,125	1,112	1,135	1,125		
y/y % change	0.3	-2.4	0.1	0.5	0.9	1.5	0.1		
Household Sector									
Retail Sales ($ million, SA)	76,019	75,110	47,047	6,708	6,786	6,806	6,763		
y/y % change	-4.0	-1.2	8.0	6.6	8.6	9.5	9.5		
New Vehicle Sales (units, thousands)	242	224	148	24	24	24	22		
y/y % change	-12.7	-7.6	12.7	15.0	17.2	14.2	14.3		
Consumer Price Index (y/y % change)	1.1	1.1	1.4	1.7	1.2	0.4	1.0	1.1	
Excluding Food & Energy	2.3	1.7	1.2	1.0	0.9	0.7	1.0	1.0	
Housing Starts (SAAR, 000's)	37.3	24.5	29.3	31.1	32.5	30.9	33.3	26.2	
y/y % change	-8.1	-34.2	24.1	8.7	47.0	26.9	30.1	32.9	
New Housing Price Index (y/y % change)	0.7	0.5	-0.5	-0.5	0.8	-0.4	0.0		
Resale Home Sales:	56,471	52,166	37,645	4,814	4,545	4,610	4,549	4,609	
y/y % change	-21.3	-7.6	9.6	10.0	4.5	3.1	1.4	6.1	
Sales to New Listing Ratio	0.52	0.49	0.50	0.51	0.45	0.45	0.46	0.47	
MLS Average Resale Prices ($ thousands)	393	395	398	401	402	402	396	396	
y/y % change	-1.9	0.4	1.8	2.6	2.3	3.2	-1.7	0.6	
NEW Consumer Bankruptcies (level)	4,280	5,427	2,951	407	460	435	328		
y/y % change	10.9	26.8	-8.5	-18.6	4.2	-5.4	-13.9		
Business Sector									
NEW Goods Exports (customs based,$ million)	92,441	78,834	66,869	8,218	8,881	8,055	7,648	8,143	
y/y % change	-24.0	-14.7	36.1	52.9	59.1	29.2	23.6	15.2	
NEW Energy Products ($ million)	62,500	51,468	46,635	5,556	6,164	5,486	5,185	5,751	
y/y% change	-31.5	-17.7	49.9	78.3	81.9	35.2	28.7	19.4	
NEW Agricultural Products ($ million)	6,474	6,283	4,815	614	709	582	540	516	
y/y % change	0.2	-3.0	17.5	0.1	33.2	17.3	12.4	18.4	
Rigs Drilling	120	79	127	85	61	87	119	126	127
y/y% change	-52.6	-34.0	94.5	193.9	143.7	112.8	103.6	66.8	59.7
Manufacturing Shipments ($ million, SA)	68,178	62,703	41,035	5,959	6,085	5,967	5,765		
y/y% change	-14.3	-8.0	15.0	16.4	20.4	13.8	9.7		
Wholesale Trade ($ million, SA)	79,380	71,765	45,733	6,467	6,795	6,577	6,857		
y/y% change	6.3	9.6	9.2	0.1	16.8	9.6	16.3		
Building Permits ($ million, SA)	16,753	14,200	7,760	1,002	1,181	1,099	1,028		
y/y% change	-8.2	-15.2	-2.8	-21.7	15.9	10.9	9.0		
Residential Permits ($ million, SA)	9,876	7,930	4,758	662	749	711	654		
y/y % change	-8.8	-19.7	13.3	1.8	34.1	23.9	9.3		
Non Residential Permits ($ million, SA)	6,877	6,270	3,002	340	432	388	374		
y/y% change	-7.4	-8.8	-20.7	-43.8	-6.3	-6.9	-29.6		
Non Res Building Const Price Index[2] (y/y % change)	0.7	-2.8	-0.1			0.7			

[1] Population data presented on a census year basis (July 1– June 30). The current census year 2017.

[2] Quarterly, average of Calgary and Edmonton

YTD YTD (year-to-date). "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate.

Sources: All data is from Statistics Canada except the Alberta Activity Index (Alberta Treasury Board and Finance), Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).All historical data are subject to revision